

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS: Hugh MacRae Land Trust/Torch Operating)
Company)
EE & E Fletcher, Inc.)
)
)

DOCKET NO.
00-1017-0831-01

RELIEF SOUGHT: Issuance of an Amended Supplemental)
Order Amending Prior Orders Affecting)
Drilling Unit FF-25 Located in the Oakwood)
Coalbed Methane Gas Field,)
Buchanan/Russell Counties, VA (herein)
"Subject Drilling Unit" to Provide:)
(1) Calculation of Funds Unit Operator)
Deposited into the Escrow Account for)
Subject Drilling Unit by Tract Subaccounts;)
(2) to Applicants, a Royalty Accounting; and)
(3) Disbursement to Applicants)
in Accordance with Their Ownership)
Interests Those Funds Deposited by the)
Unit Operator into Subject Drilling Unit's)
Escrow Subaccount for VGOB Tract 1A)

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") on November 16, 2004 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, VA.
2. **Appearances:** Mary Jo Swartz, Esq. of the firm Swartz and Stump L.C. appeared for the Unit Operator; and Sharon M. B. Pigeon, Assistant Attorney General, was present to advise the Board.
3. **Jurisdiction and Notice:** Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract subaccounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract subaccounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, the Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tract in question or any undivided interest therein.

4. **Prior Proceedings:**

- 4.1. On December 11, 2000, the Board executed its order pooling all interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code §§ 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on December 20, 2000 in Deed Book 517 at page 115; and with the Clerk of the Circuit Court of Russell County on December 21, 2000 in Deed Book 518 at page 147. The Board designated Pocahontas Gas Partnership, predecessor of CNX Gas Company LLC, as the Unit Operator of the Subject Drilling Unit. The Pooling Order was amended and supplemented by the Board's Supplemental Order regarding elections executed on June 28, 2001 that was filed with the Buchanan County Circuit Court Clerk's Office on July 12, 2001 in Deed Book 526 at page 818, and with the Russell County Circuit Court Clerk's Office on April 8, 2003 in Deed Book 579 at page 34 ("Supplemental Order"). The Pooling Order was amended and supplemented by the Board's Supplemental Order Amending Prior Orders executed on June 28, 2003 that was filed with the Buchanan County Circuit Court Clerk's Office on July 3, 2003 in Deed Book 572 at page 548 ("Supplemental Order")(hereafter the Pooling Order and the Supplemental Orders are collectively referred to as the Pooling Order)
- 4.2. To the extent claims to the Gas were in conflict, pursuant to Va. Code § 45.1-361-22 payments attributable to said conflicting claims/interests were ordered deposited by the Unit Operator into the escrow account established by the Pooling Order (herein "Escrow Account"). According to the Pooling Order, the coal fee ownership of Hugh MacRae Land Trust/Torch Operating Company and the oil and gas fee ownership of EE & E Fletcher, Inc. (formerly Ellen Fletcher) or their predecessors in title in a 38.88 acres tract known as VGOB Tract 1A in Subject Drilling Unit FF-25 were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3. The Unit Operator's Miscellaneous Petition to the Board, received October 15, 2004 by the Division of Gas and Oil, a copy of which is attached to and made a part hereof, and sworn testimony attested that Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher) have entered into a royalty split agreement and that by terms of that agreement escrow regarding the conflicting claims of said parties is no longer required. By sworn testimony, the Unit Operator notified the Board that a portion of VGOB Tract 1A of the Subject Unit and the interests of Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. are subject to the split agreement.
- 4.4. Petitioner gave notice to Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. that the Board would take the petition referred to in Paragraph 4.3 above under consideration at its hearing. Notice stated that the Board would consider whether to: (1) amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 1A; (2) delete the requirement that the Unit Operator place future royalties attributable to the above-named parties in Tract 1A in the Escrow Account, and (3) continue the escrow account under this docket number because parties other than those seeking disbursement under this order are subject to escrow.
- 4.5. The Unit Operator filed the attached accountings for Subject Drilling Unit's Escrow Account with the Board ("Accountings").

5. **Findings:**

- 5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as

between them or (ii) an agreement among all claimants owning conflicting estates in the tract in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

5.2 The Petitioner has certified and represented to the Board that:

- (1) Hugh MacRae Land Trust/Torch Operating Company is the owner of 100% of the coal estate underlying VGOB Tract 1A of the subject Drilling Unit FF-25.
- (2) EE & E Fletcher, Inc. is the owner of 87.5% of the oil and gas estate underlying VGOB Tract 1A of the subject Drilling Unit FF-25.
- (3) Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. have entered into royalty split agreements specifying that escrowed funds attributable to their conflicting interests are to be divided with 50% going to the gas owner and 50% going to the coal owner, and also specifying that future royalties be paid directly to the owners according to the split agreement.
- (4) The net interests attributable and to be disbursed to Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. in Tract 1B are shown in Table 1, below.

TABLE-1		
Tract # 1A Owner Names	Net acres in Unit	% interest in VGOB 00-1017-0831 balance
Hugh MacRae Land Trust/ Torch Operating Company P. O. Box 4268 Houston, TX 77210-4268	34.02	24.0935%
EE & E Fletcher, Inc. P. O. Box 28 Rowe, VA 24646	34.02	24.0935%

6. **Relief Granted:**

For the reasons set forth in Paragraphs 4 and 5 above, and based upon the Accounting, the Escrow Agent is ordered to, within 10 days of receipt of this executed order: (1) Disburse escrowed funds attributable to VGOB Tract 1A to Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. according to the percentages shown in Table 1, above, and mail attributable proceeds to the addresses shown in the table. Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted in toto and replaced with the Exhibit E attached hereto. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of Hugh MacRae Land Trust/Torch Operating Company and EE & E Fletcher, Inc. in Tract 1A be deposited by the Unit Operator into the Escrow Account, and, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to continue the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

7. **Conclusion:**

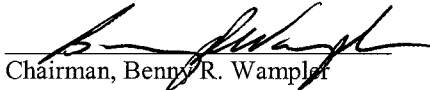
Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

8. **Appeals:**


Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 9th day of March, 2006, by a majority of the Virginia Gas and Oil Board.



Chairman, Benny R. Wampler

DONE AND PERFORMED this 13th day of March, 2006, by an Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA)
COUNTY OF ~~WISE~~ Washington)

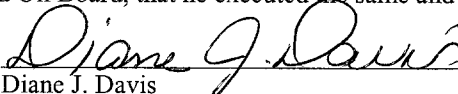
Acknowledged on this 9 day of March, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My Commission expires: 9/30/09

COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 13th day of March, 2006, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/09

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 00-1017-0831-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 1A
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: November 16, 2004

DRILLING UNIT: FF-25

BUCHANAN & RUSSELL COUNTIES, VIRGINIA

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is **CNX Gas Company LLC**, P. O. Box 947, Bluefield, Virginia 24605, 276/988-1000. Petitioner's counsel is Mark A. Swartz, **Swartz & Stump, L.C.**, P.O. Box 517, Abingdon, VA 24212.

2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract(s) 1A as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hugh MacRae Land Trust / Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher).

3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. **Type of well(s):** Coalbed methane.

5. **Factual basis for relief requested:** Hugh MacRae Land Trust / Torch Operating Company and EE & E Fletcher, Inc. (previously Ellen Fletcher), have entered into a royalty split agreement. Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and, further, specifies how said royalties are to be divided and paid, to-wit: 24.0935 total percent of escrow to Hugh MacRae Land Trust / Torch Operating Company and 24.0935 percent of escrow to EE & E Fletcher, Inc..

6. **Attestation:** The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY IT'S PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By

Leslie K. Arrington
Manager – Environmental / Permitting
CNX Gas Company LLC
P.O. Box 947
Bluefield, Virginia 24605
276/988-1000

N 308,898.47
E 988,297.95

BOOK

C4000000

N 308,827.01
E 990,163.31

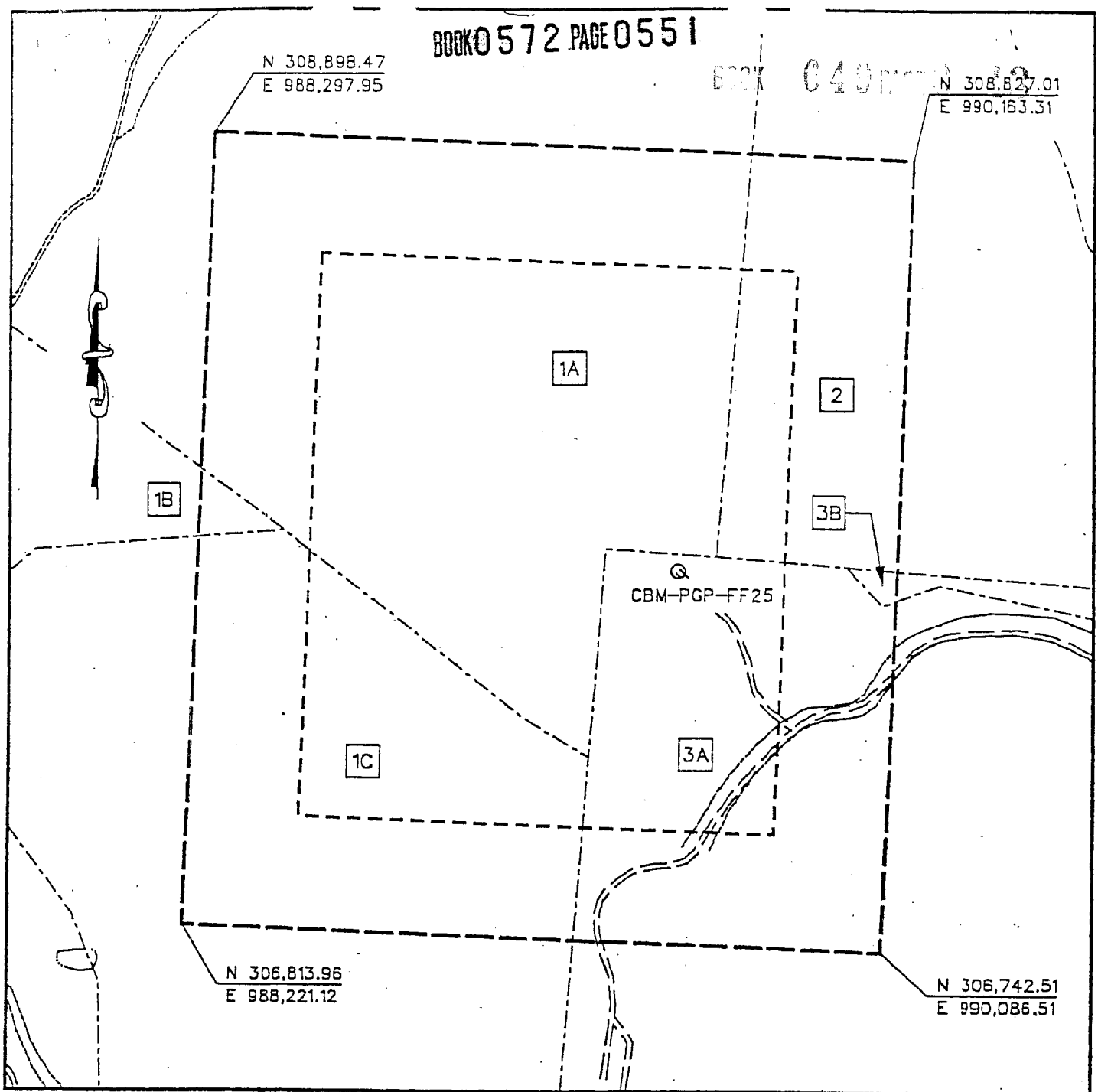


EXHIBIT A
OAKWOOD FIELD UNIT FF-25
FORCE POOLING
VGOB-00-1017-0831

Company Pocahontas Gas Partnership Well Name and Number UNIT FF25

Tract No. _____ Elevation _____ Quadrangle Keen Mountain

County Buchanan/Russell District Hurricane/New Garden Scale: 1" = 400' Date 9/12/00

This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Claudio D. Noyes
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal.)

Unit FF-25
Tract Identifications

- 1A. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Ellen Fletcher, et al - Oil & Gas
Floyd Blankenship Jr. - Surface
38.88 acres 43.52401%
- 1B. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Jeffery Hale, et al - Surface, Oil & Gas
0.47 acres 0.52614%
- 1C. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Arnold S. Hale - Surface, Oil & Gas
19.98 acres 22.36651%
2. Hugh MacRae Land Trust - TR 14 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Myrtle Hale, et al - Surface, Oil & Gas
11.27 acres 12.61614%
3. Buckhorn Coal Mining - Tr. 7 - Coal, Oil & Gas
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
18.73 acres 20.96720%
- 3A. Buckhorn Coal Mining - Tr. 7 - Surface
3B. Myrtle Hale, et al - Surface

Docket No. VGOB-00-1017-0831
List of Conflicting Owners/Claimants with Royalty Split Agreements

		Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #1A - 38.88 acres</u>				
<u>COAL FEE OWNERSHIP</u>				
(1)	Hugh Macrae Land Trust, Tr. 9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	34.02 acres 7/8 of 38.88 acres	38.0835%	48.1870%
(2)	Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			
<u>OIL & GAS FEE OWNERSHIP</u>				
(1)	EE & E Fletcher, Inc. P. O. Box 28 Rowe, VA 24646 (previously Ellen Fletcher)	34.02 acres 7/8 of 38.88 acres	38.0835%	48.1870%

Tract-by-Tract Escrow Calculation
Account Balances as of 9/30/04

BOOK 049020-16

Unit DD-24

Owners	Tract #	Acres	Total Tract Percent of Escrow 23.49	Owners' Percent of Escrow (50%)	Amount Due Owners \$12,871.69
Hugh MacRae / Torch	2	(27.56)	27.1179%	27.1179%	\$3,490.53
John I. Hale Heirs, et al.		6.37			
Hugh MacRae / Torch	3	1.54	6.5560%	6.5560%	\$843.87
EE & E Fletcher, Inc., et al.					
a) Ellen Fletcher (7/8)				2.8682%	\$369.19
Hugh MacRae / Torch	4a	10.56	44.9553%	44.9553%	\$5,786.51
Elmer Jackson, et ux.					
Hugh MacRae / Torch	4b	3.74	15.9217%	15.9217%	\$2,049.39
Dorothy Hale					
Hugh MacRae / Torch	4d	(5.54)	5.4491%	5.4491%	\$701.39
John I. Hale Heirs, et al.		1.28			

Unit FF-24

Owners	Tract #	Acres	Total Tract Percent of Escrow 67.81	Owners' Percent of Escrow (50%)	Amount Due Owners \$72,564.45
Hugh MacRae / Torch	1a	13.20	19.4662%	19.4662%	\$14,125.51
EE & E Fletcher, Inc., et al.					
a) Ellen Fletcher (7/8)				8.5164%	\$6,179.91
Hugh MacRae / Torch	1b	40.87	60.2713%	60.2713%	\$43,735.57
Carlos Hale Heirs					
Hugh MacRae / Torch	1d	13.21	19.4809%	19.4809%	\$14,136.21
Arnold S. Hale, et ux.					
Hugh MacRae / Torch	1f	0.53	0.7816%	0.7816%	\$567.16
Larry Hale, et al.					

Unit FF-25

Owners	Tract #	Acres	Total Tract Percent of Escrow 70.60	Owners' Percent of Escrow (50%)	Amount Due Owners \$65,789.82
Hugh MacRae / Torch	1a	38.88	55.0708%	55.0708%	\$36,230.99
EE & E Fletcher, Inc., et al.					
a) Ellen Fletcher (7/8)				24.0935%	\$15,851.06
Hugh MacRae / Torch	1b	0.47	0.6657%	0.6657%	\$437.98
Carlos Hale Heirs					
Hugh MacRae / Torch	1c	19.98	28.3003%	28.3003%	\$18,618.71
Arnold S. Hale, et ux.					
Hugh MacRae / Torch	2	11.27	15.9632%	15.9632%	\$10,502.14
Myrtle Hale, et al.					

***Note:** To calculate the percent of escrow per owner, take the total acres escrowed and divide by the individual tract acres, then divide the result by 2. (Divide by 2 because the owners have agreed to split to money equally.

Exhibit E
Unit FF-25
Docket No. VGOB-00-1017-0831
List of Conflicting Owners/Claimants that require escrow

BOOK 040 p. 011

Tract #1A - 38.88 acres

COAL FEE OWNERSHIP

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(1) Hugh Macrae Land Trust, Tr. 9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	4.86 acres 1/8 of 38.88 acres	5.4405%	6.8839%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			

OIL & GAS FEE OWNERSHIP

(2) Laura Hale Boyd Heirs, Devisees, Successors or Assigns, et al. (1/8 int.)	4.86 acres 1/8 of 38.88 acres	5.4405%	6.8839%
(a) Leah Vernie Baldwin Heirs, Devisees, Successors or Assigns			
(a.1) Velva Marie Charles Rt.5 Box 543 Grundy, VA 24614	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.2) Opal Mattie Hunt 1207-2059 Huntington Avenue Alexandria, VA 22303	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.3) Pauline Baldwin 5773 Governors Pond Circle Alexandria, VA 22310	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.4) Leah Mae Mullins Rt.4 Box 123A Grundy, VA 24614	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.5) Beulah Diane Boyd Rt.2 Box 453 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.6) Laura Virginia Manier Rt.2 Box 54 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.7) Henry Nathan Baldwin, Jr. Rt.2 Box 453 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.8) Judy Elizabeth Hagy Rt.2 Box 448 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.9) Gary Raymond Baldwin 49 Amsterdam Road Daleville, VA 24083-2921	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%

Docket No. VGOB-00-1017-0831

List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(a.10) Bradley Dean Baldwin Rt.2 Box 453 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.11) James Curtis Baldwin Rt.1 Box 422A Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.12) Samuel Marcus Baldwin, II P.O. Box 994 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.13) Brandon Scott Baldwin P.O. Box 994 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(a.14) Samantha Leah Baldwin P.O. Box 994 Vansant, VA 24656	0.0316 acres 1/154 of 4.86 acres	0.0353%	0.0447%
(b) Lizzie Trula Greenwood 4518 Maple Grove Road Hampstead, MD 21074	0.4418 acres 1/11 of 4.86 acres	0.4946%	0.6258%
(c) Ada Nell Stiltner Heirs, Devisees, Successors or Assigns			
(c.1) Patricia G. Rice Rt.1 Box 425 Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(c.2) Teresa Church P.O. Box 473 Davenport, VA 24239	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(c.3) Shelia Miller 22455 Wyldwood Road Abingdon, VA 24211	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(c.4) Vickie Viers Rt.1 Box 425A Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(c.5) Terry Boyd Rt.1 Box 425A Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(c.6) Wayne Stiltner Rt.1 Box 425A Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(d) Marcus Boyd 863 Evins Avenue Smithville, TN 37166	0.4418 acres 1/11 of 4.86 acres	0.4946%	0.6258%

List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(e) Ireson Boyd Heirs, Devisees, Successors or Assigns			
(e.1) Hassie C. Boyd 612 Dry Creek Road Smithville, TN 37166	0.4418 acres 1/11 of 4.86 acres	0.4946%	0.6258%
(f) Charles Milton Boyd Heirs, Devisees, Successors or Assigns			
(f.1) Annie Boyd Heirs, Devisees, Successors or Assigns			
(f.1.1) Lester Boyd Box 182 Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(f.1.2) Helen Viola Coleman Rt.1 Box 586 Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(f.1.3) Betty Perkins Rt.1 Box 421 Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(f.1.4) Peggy Tiller Rt.2 Box 466 Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(f.1.5) Joan B. Boyd Rt.2 Box 461 Vansant, VA 24656	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(f.1.6) Barbara Evans 1685 Peach Grove Avenue Harrisonburg, VA 22801	0.0736 acres 1/66 of 4.86 acres	0.0824%	0.1043%
(g) Mary Boyd Cook Heirs, Devisees, Successors or Assigns			
(g.1) Edward Cook Heirs, Devisees, Successors or Assigns			
(g.1.1) Nancy Cook, widow 33967 Wadsworth Libonia, MI 48150	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(g.2) Lloyd Cook Rt.5 Box 535 Grundy, VA 24614	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(g.3) Willard Cook 6227 East Owens Las Vegas, NV 89110	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%

Exhibit E
Unit FF-25
Docket No. VGOB-00-1017-0831
List of Conflicting Owners/Claimants that require escrow

BOOK 049 PAGE 0130

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(g.4) Ercil Cook Heirs, Devisees, Successors or Assigns <i>Address Unknown</i>	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(h) Marion Boyd, Jr. Heirs, Devisees, Successors or Assigns			
(h.1) Sandra Boyd Street P.O. Box 595 Vansant, VA 24656	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(h.2) Larry Ireson Boyd 612 Dry Creek Road Smithville, TN 37166	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(h.3) Sherry Boyd Stacy P.O. Box 396 Vansant, VA 24656	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(h.4) Rodney Boyd HCR Box 29H Grundy, VA 24614	0.1105 acres 1/44 of 4.86 acres	0.1236%	0.1565%
(i) Ardue Guy Boyd Heirs, Devisees, Successors or Assigns			
(i.1) Marshall Boyd 4797 Hayden Crest Drive Hilliard, OH 43026	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.2) Thelma Boyd Lester HCR Box 1088 Big Rock, VA 24603	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.3) Ferrell Boyd Rt.2 Box 516 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.4) James H. Boyd Rt.1 Box 55 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.5) Anna Lou Boyd Colley Rt.1 Box 343 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.6) Estil Boyd Heirs, Devisees, Successors or Assigns			
(i.6.1) Katherine Boyd P.O. Box 6883 Statesville, NC 28687	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.7) Charles Boyd Rt.1 Box 578 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%

Docket No. VGOB-00-1017-0831

List of Conflicting Owners/Claimants that require escrow

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(i.8) William P. Boyd Rt.2 Box 464 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.9) David G. Boyd Box 54 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.10) Steve Boyd Rt.1 Box 415 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.11) Robert G. Boyd Rt.1 Box 416 Vansant, VA 24656	0.0368 acres 1/132 of 4.86 acres	0.0412%	0.0522%
(i.12) Carlie B. Clevinger Heirs, Devisees, Successors or Assigns			
(i.12.1) Donald Clevinger Rt.1 Box 422C Vansant, VA 24656	0.0184 acres 1/264 of 4.86 acres	0.0206%	0.0261%
(i.12.2) Franklin Clevinger Rt.1 Box 503A Vansant, VA 24656	0.0184 acres 1/264 of 4.86 acres	0.0206%	0.0261%
(3) James D. Rasnake 22484 Montego Bay Road Abingdon, VA 24211	0.8836 acres 2/11 of 4.86 acres	0.9892%	1.2516%

Tract #1B - 0.47 acres

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust, Tr. 9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.47 acres	0.5261%	0.6657%
(2) Torch Operating Co. (CBM Royalty Owner) P. O. Box 200722 Houston, TX 77216-0122			

OIL & GAS FEE OWNERSHIP

(1) Carlos Hale Heirs, Devisees, Successors or Assigns	0.47 acres	0.52614%	0.6657%
(a) Lorene Hale P.O. Box 841 Cedar Bluff, VA 24609	0.157 1/3 of 0.47 acres	0.17538%	0.2219%
(b) Pamela J. Keene HC65 Box 18B Oakwood, VA 24631	0.104 2/9 of 0.47 acres	0.11692%	0.1479%

Exhibit E
Unit FF-25
Docket No. VGOB-00-1017-0831
List of Conflicting Owners/Claimants that require escrow

BOOK 049710.09

	Net Acres in Unit	Interest in Unit	Percent of Escrow
(c) Jamie Hale Rt.2 Box 468 Haysi, VA 24256	0.104 2/9 of 0.47 acres	0.11692%	0.1479%
(d) Jeffery C. Hale 1926 Zacks Fork Road Lenoir, NC 28645	0.104 2/9 of 0.47 acres	0.11692%	0.1479%

Tract #1C - 19.98 acres

COAL FEE OWNERSHIP

- | | | | | |
|-----|---|-------------|----------|----------|
| (1) | Hugh Macrae Land Trust, Tr. 9
c/o Akin, Gump, et al.
590 Madison Avenue, 20th Floor
New York, NY 10022 | 19.98 acres | 22.3665% | 28.3003% |
| (2) | Torch Operating Co. (CBM Royalty Owner)
P. O. Box 200722
Houston, TX 77216-0122 | | | |

OIL & GAS FEE OWNERSHIP

- | | | | | |
|-----|--|-------------|-----------|----------|
| (1) | Arnold S. Hale, et ux.
HC65 Box 18
Oakwood, VA 24631 | 19.98 acres | 22.36651% | 28.3003% |
|-----|--|-------------|-----------|----------|

Tract #2 - 11.27 acres

COAL FEE OWNERSHIP

- | | | | | |
|-----|---|-------------|----------|----------|
| (1) | Hugh Macrae Land Trust, Tr. 9
c/o Akin, Gump, et al.
590 Madison Avenue, 20th Floor
New York, NY 10022 | 11.27 acres | 12.6161% | 15.9632% |
| (2) | Torch Operating Co. (CBM Royalty Owner)
P. O. Box 200722
Houston, TX 77216-0122 | | | |

OIL & GAS FEE OWNERSHIP

- | | | | | |
|-----|---|-------------|-----------|----------|
| (1) | Myrtle Hale, et al.
c/o Frank Kilgore, Esquire
P.O. Drawer 1210
St. Paul, VA 24283 | 11.27 acres | 12.61614% | 15.9632% |
|-----|---|-------------|-----------|----------|

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, 3-13, 2006. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 11:26 o'clock AM, after payment of \$ - tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Davis

TESTE: DOLLIE M. COMPTON, CLERK
BY: Ann S. McReynolds D. CLERK

0600823

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 13th day of March, 2006, at 3:04P M.
Deed Book No. --- and Page No. ---
Returned to: Ann S. McReynolds
TESTE: James M. Bevens, Jr., Clerk
Deputy Clerk

BL
AL
\$25



INSTRUMENT #060000776
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 13, 2006 AT 03:09PM
JAMES M. BEVING, CLERK
RECORDED BY: AKT